

China's Tencent to take stake in Ubisoft games maker

March 20 2018



Videogames publisher Ubisoft now has China's Tencent, operator of the WeChat messaging platform, as a strategic partner.

Chinese internet giant Tencent has entered into a strategic partnership with Ubisoft that includes it taking a five percent stake, the French

videogame publisher said Tuesday.

Tencent will become a long-term shareholder in Ubisoft's capital as part of media company Vivendi selling its 27.3 percent stake in a 2-billion-euro (\$2.5 billion) deal, Ubisoft said.

Ubisoft's [chief executive](#) and co-founder Yves Guillemot said the deal will "enable Ubisoft to accelerate its development in China in the coming years and fully leverage a market with great potential."

Tencent operates China's ubiquitous WeChat messaging platform and is the country's leader in social media and gaming.

Vivendi built up a stake in Ubisoft, publisher of popular titles like Just Dance and action game Assassin's Creed, which threatened the Guillemot family's control of the firm as they no longer owned a majority of shares.

Vivendi said its stake in Ubisoft was acquired over the past three years for 794 million euros.

As part of the sale of its shares, 3.4 will go to the Ontario Teachers' Pension Plan, the Guillemot family and Ubisoft shareholders will receive some while institutional investors will be offered the rest.

"The investment from new long-term shareholders in Ubisoft demonstrates their trust in our future value creation potential, and Ubisoft's [share](#) buy-back will be accretive to all shareholders," said Guillemot.

Tencent's [stake](#) is worth 369 million at the price of 66 euros per share in the transaction.

Tencent got no seats on the company's board of directors and pledged not to transfer its shares nor to increase its share ownership and voting rights in Ubisoft, the French firm said.

© 2018 AFP

Citation: China's Tencent to take stake in Ubisoft games maker (2018, March 20) retrieved 1 May 2024 from <https://phys.org/news/2018-03-china-tencent-stake-ubisoft-games.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.